

Rt Hon David Cameron MP  
Prime Minister  
10 Downing Street  
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7 June 2013



Further to your letter of 19 May 2013, I want to reiterate our support in Guernsey for the objectives of the forthcoming G8 meeting. We welcome the UK's attempts both to create a global level playing field on tax information and beneficial ownership, and to ensure that in doing so all jurisdictions are striving to meet the highest standards. That is why we have committed to sign up the US FATCA, agreed an equivalent package of tax measures with HM Treasury, and confirmed our interest in joining the EU FATCA pilot.

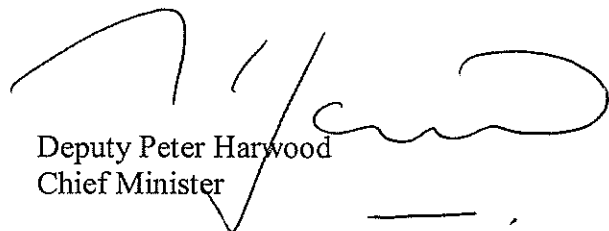
Ahead of the G8 meeting, I would like to take the opportunity to reiterate Guernsey's support for the Multilateral Convention on Mutual Assistance in Tax Matters. We see the Convention as a significant step towards creating a global level playing field in tax information exchange. Given that, I want to emphasise that I am committed to recommending to Guernsey's legislative assembly that Guernsey signs up to the Convention, subject to the agreement of appropriate reservations.

I also want to reiterate Guernsey's ongoing commitment to the beneficial ownership agenda. Guernsey remains committed to meeting the Financial Action Task Force standards on Anti-Money Laundering (AML) and Combating the Financing of Terrorism. This commitment has been long recognised, and has been verified through independent assessments, including most recently by both the IMF and the OECD. Guernsey is also one of only a handful of jurisdictions that has in place a framework for regulating trusts and corporate service providers and that obliges all Guernsey companies to identify and properly record beneficial ownership – robust measures that are in addition to the rigorous obligations imposed by the AML framework.

We therefore welcome the UK's commitment to improve the supervision and enforcement of company formation agents in the UK and other jurisdictions, and which will bring those jurisdictions up to the standards that have been in place in Guernsey since the year 2000. However we also recognise that Guernsey has an obligation to maintain its position among those jurisdictions who show leadership on beneficial ownership. For that reason we have set out an "action plan" of further steps that we will be asking our legislative assembly to commit to, steps that will further strengthen the procedures we already have in place to prevent the misuse of companies and legal arrangements in Guernsey.

I am grateful for your invitation to the pre-G8 event in London 15 June. I am pleased to accept that invitation as it will be an opportunity to continue to demonstrate Guernsey's long-standing commitment to tax transparency and information exchange over the past decade, and not least our support for and encouragement of the G8's work on tax, trade and transparency. We would appreciate it if the UK government was able to acknowledge Guernsey's long-standing commitment at the meeting.

Yours sincerely



Deputy Peter Harwood  
Chief Minister